

PROPOSED AMENDMENT

SENATE AMENDMENTS TO S.B. 1097

(Reference to printed bill)

1 Page 1, line 11, after "OFFICE" insert "[PURSUANT TO SECTION 41-3507, SUBSECTION D](#)"

2 After line 21, insert:

3 "Sec. 2. Section 41-3504, Arizona Revised Statutes, is amended to  
4 read:

5 41-3504. Powers and duties of the agency; violation;  
6 classification

7 A. ~~For budget units,~~ The agency shall:

8 1. Develop, implement and maintain a coordinated statewide plan for  
9 information technology. This includes:

10 10 (a) Adopting statewide technical, coordination and security standards  
11 for information technology.

12 11 (b) Serving as statewide coordinator for information technology  
13 resources.

14 12 (c) Developing a statewide disaster recovery plan.

15 13 (d) Developing a list of approved agency projects by priority  
16 category.

17 14 (e) Developing a detailed list of information technology assets owned,  
18 leased or employed by this state.

19 15 (f) Evaluating and either approving or disapproving budget unit  
20 information technology plans. Budget units shall submit information  
21 technology plans that include quality assurance plans and disaster recovery  
22 plans to the agency each year on or before September 1. The legislative and  
23 judicial departments of state government shall submit information technology  
24 plans for information purposes.

25 16 (g) Evaluating specific information technology projects relating to  
26 the approved budget unit and statewide information technology plans. The  
27 agency shall approve or reject projects with total costs of at least  
28 twenty-five thousand dollars but not more than one million dollars and may  
29 establish conditional approval criteria including procurement purchase

1 authority. If the total project costs exceed one million dollars the agency  
2 shall evaluate the project and make recommendations to the committee.  
3 Beginning on June 1, 1998, as part of a budget request for an information  
4 technology project that has total costs of at least twenty-five thousand  
5 dollars, a budget unit shall indicate the status of review by the agency.  
6 Projects shall not be artificially divided to avoid review by the agency.

7 2. Require that budget units incorporate life cycle analysis  
8 prescribed by section 41-2553 into the information technology planning,  
9 budgeting and procurement processes.

10 3. Require that budget units demonstrate expertise to carry out  
11 information technology plans, either by employing staff or contracting for  
12 outside services.

13 4. Monitor information technology projects that the agency considers  
14 to be major or critical, including expenditure and activity reports and  
15 periodic review.

16 5. Temporarily suspend the expenditure of monies if the agency  
17 determines that the information technology project is at risk of failing to  
18 achieve its intended results or does not comply with the requirements of this  
19 section.

20 6. Continuously study emergent technology and evaluate its impact on  
21 this state's system.

22 7. Advise each budget unit as necessary and report to the committee on  
23 an annual basis.

24 8. Provide to budget units, information technology consulting services  
25 it deems necessary, either directly or by procuring outside consulting  
26 services.

27 9. Maintain all otherwise confidential information received from a  
28 budget unit pursuant to this section as confidential.

29 10. Provide staff support to the committee.

30 11. Subject to section 35-149, accept, spend and account for grants,  
31 monies and direct payments from public or private sources and other grants of

monies or property for the conduct of programs that it deems consistent with the overall purposes and objectives of the agency.

12. Adopt rules it deems necessary or desirable to further the objectives and programs of the agency.

13. Formulate policies, plans and programs to effectuate the purposes of the agency.

14. Advise and make recommendations to the governor and the legislature on all matters concerning its objectives.

15. Contract and enter into interagency and intergovernmental agreements pursuant to title 11, chapter 7, article 3 with any public or private party.

16. Have an official seal that shall be judicially noticed.

B. The agency shall advise the judicial and legislative branches of state government concerning information technology.

C. The agency may examine all books, papers, records and documents in the office of any budget unit and may require any state officer of the budget unit to furnish information or statements necessary to carry out the provisions of this chapter.

D. The director, any member of the director's staff or any employee who knowingly divulges or makes known in any manner not permitted by law any particulars of any confidential record, document or information is guilty of a class 5 felony.

E. THIS SECTION DOES NOT ALLOW ANY EMPLOYEE OF THE AGENCY TO HAVE DIRECT ACCESS TO ANY OF THE BANKING OR INVESTMENT SYSTEMS OF THE STATE TREASURER'S OFFICE.

Sec. 3. Section 41-3507, Arizona Revised Statutes, is amended to read:

41-3507. Statewide information security and privacy office; duties; suspension of budget unit's information infrastructure

A. The statewide information security and privacy office is established in the government information technology agency. The statewide

1 information security and privacy office shall serve as the strategic  
2 planning, facilitation and coordination office for information technology  
3 security in this state. Individual budget units shall continue to maintain  
4 operational responsibility for information technology security.

5 B. The director shall appoint a statewide chief information security  
6 officer to manage the statewide information security and privacy office. The  
7 statewide chief information security officer shall report to the director  
8 pursuant to section 41-3503.

9 C. The statewide information security and privacy office shall  
10 develop, implement, maintain and ensure compliance by each budget unit with a  
11 coordinated statewide assurance plan for information security and privacy.  
12 The statewide information security and privacy office shall:

13 1. Direct information security and privacy protection compliance  
14 reviews with each budget unit to ensure compliance with standards and  
15 effectiveness of security assurance plans as necessary.

16 2. Identify information security and privacy protection risks in each  
17 budget unit and direct agencies to adopt risk mitigation strategies, methods  
18 and procedures to lessen these risks.

19 3. Monitor and report compliance of each budget unit with state  
20 information security and privacy protection policies, standards and  
21 procedures.

22 4. Coordinate statewide information security and privacy protection  
23 awareness and training programs.

24 5. Develop other strategies as necessary to protect this state's  
25 information technology infrastructure and the data that is stored on or  
26 transmitted by such infrastructure.

27 D. The statewide information security and privacy office may  
28 temporarily suspend operation of information infrastructure that is owned,  
29 leased, outsourced or shared in order to isolate the source of, or stop the  
30 spread of, an information security breach or other similar incident. A  
31 budget unit shall comply with directives to temporarily discontinue or  
32 suspend operations of information infrastructure.

1           E. THIS SECTION DOES NOT ALLOW ANY EMPLOYEE OF THE STATEWIDE  
2 INFORMATION SECURITY AND PRIVACY OFFICE TO HAVE DIRECT ACCESS TO ANY OF THE  
3 BANKING OR INVESTMENT SYSTEMS OF THE STATE TREASURER'S OFFICE.

4           E. F. Each budget unit and its contractors shall identify and report  
5 security incidents to the statewide information security and privacy office  
6 immediately on discovery and deploy mitigation strategies as directed."

7 Amend title to conform

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2/4/08  
1:00 PM  
S: JL/jas